

HOUSE BILL No. 1380

DIGEST OF INTRODUCED BILL

Citations Affected: IC 5-10-8-7.

Synopsis: Group health insurance for schools. Provides that a public school corporation is entitled to participate in any group health programs established for state employees upon payment of the required premiums.

Effective: July 1, 1999.

Smith V, Brown C

January 12, 1999, read first time and referred to Committee on Ways and Means.

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Introduced

First Regular Session 111th General Assembly (1999)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1998 General Assembly.

HOUSE BILL No. 1380

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 5-10-8-7 IS AMENDED TO READ AS FOLLOWS
2 [EFFECTIVE JULY 1, 1999]: Sec. 7. (a) The state, excluding state
3 educational institutions (as defined by IC 20-12-0.5-1), may not
4 purchase or maintain a policy of group insurance, except life insurance
5 or long term care insurance under a long term care insurance policy (as
6 defined in IC 27-8-12-5), for its employees.
7 (b) With the consent of the governor, the state personnel department
8 may establish self-insurance programs to provide group insurance other
9 than life or long term care insurance for state employees, ~~and~~ retired
10 state employees, **and employees or retired employees of a school**
11 **corporation (as defined in IC 20-1-6-1) that chooses to participate**
12 **under subsection (i).** The state personnel department may contract
13 with a private agency, business firm, limited liability company, or
14 corporation for administrative services. A commission may not be paid
15 for the placement of the contract. The department may require, as part
16 of a contract for administrative services, that the provider of the
17 administrative services offer to an employee terminating state

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employment the option to purchase, without evidence of insurability, an individual policy of insurance.

(c) Notwithstanding subsection (a), with the consent of the governor, the state personnel department may contract for health services for ~~state~~ **eligible** employees through one (1) or more prepaid health care delivery plans.

(d) The state personnel department shall adopt rules under IC 4-22-2 to establish long term and short term disability plans for state employees (except employees who hold elected offices (as defined by IC 3-5-2-17)). The plans adopted under this subsection may include any provisions the department considers necessary and proper and must:

(1) require participation in the plan by employees with six (6) months of continuous, full-time service;

(2) require an employee to make a contribution to the plan in the form of a payroll deduction;

(3) require that an employee's benefits under the short term disability plan be subject to a thirty (30) day elimination period and that benefits under the long term plan be subject to a six (6) month elimination period;

(4) prohibit the termination of an employee who is eligible for benefits under the plan;

(5) provide, after a seven (7) day elimination period, eighty percent (80%) of base biweekly wages for an employee disabled by injuries resulting from tortious acts, as distinguished from passive negligence, that occur within the employee's scope of state employment;

(6) provide that an employee's benefits under the plan may be reduced, dollar for dollar, if the employee derives income from:

(A) Social Security;

(B) the public employees' retirement fund;

(C) the Indiana state teachers' retirement fund;

(D) pension disability;

(E) worker's compensation;

(F) benefits provided from another employer's group plan; or

(G) remuneration for employment entered into after the disability was incurred.

(The department of state revenue and the department of workforce development shall cooperate with the state personnel department to confirm that an employee has disclosed complete and accurate information necessary to administer **this** subdivision.); ~~(6)-~~

(7) provide that an employee will not receive benefits under the

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1 plan for a disability resulting from causes specified in the rules;
 2 and

3 (8) provide that, if an employee refuses to:

4 (A) accept work assignments appropriate to the employee's
 5 medical condition;

6 (B) submit information necessary for claim administration; or

7 (C) submit to examinations by designated physicians;

8 the employee forfeits benefits under the plan.

9 (e) This section does not affect insurance for retirees under
 10 IC 5-10.3 or IC 21-6.1.

11 (f) The state **or a school corporation (as defined in IC 20-1-6-1)**
 12 may pay part of the cost of self-insurance or prepaid health care
 13 delivery plans for its employees.

14 (g) A state agency may not provide any insurance benefits to its
 15 employees that are not generally available to other state employees,
 16 unless specifically authorized by law.

17 (h) The state **or a school corporation (as defined in IC 20-1-6-1)**
 18 may pay a part of the cost of group medical and life coverage for its
 19 employees.

20 (i) **A school corporation (as defined in IC 20-1-6-1) is entitled to**
 21 **participate in any group health programs established under this**
 22 **section upon payment of the required premiums by the**
 23 **participating employees or retired employees of the school**
 24 **corporation. A school corporation may pay part of the cost of any**
 25 **premiums under this section.**

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